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now costing the Government for maintenance, and what the financial effect of the suggested transfer to the Anjuman would be. He will also ascertain and report whether the management of that institution would be willing to take over the section and if so on what terms. The Director should also take into consideration the recommendation of the Textile Conference and give his reasons in full if he agrees to the proposed transfer.

6. *Hostel for the school.*—The Director is requested to examine in detail the need for a hostel for the school and submit detailed proposals in due course if he considers that hostel accommodation is absolutely essential.

7. *Assistant Superintendent of the school.*—The Government accept the Committee's recommendation that an Indian sufficiently qualified by previous training in Arts and Crafts should be employed as Assistant Superintendent of the school. The Director of Industries is requested to invite applications and submit proposals for filling the post with effect from the next school year.

* * * *

(By order of the Government, Ministry of Development)

S. V. RAMAMURTI,
Secretary to Government.

Press.

APPENDIX XVI.

[Vide item VI, Papers laid on the table of the House, page 139 supra.]

G.O. No. 2158, Development, dated 3rd December 1929.

READ—the following papers :—

I

Letter from Mr. C. F. GEORGE, F.S.A.A., Assistant Director of Commercial Audit, to the Secretary to Government, Development Department, dated Madras, the 23rd September 1929, No. 13/840.

I have the honour to submit herewith the audit report and accounts of the Government Fisheries Cannery, Chaliyam, for the year ending 31st March 1929.

2. A copy of the report has been forwarded to the Director of Fisheries, with the request that he should kindly forward his remarks thereon to you direct.

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3. Copies of this report and accounts have also been submitted to the Finance Department, Accountant-General, Madras, Director of Commercial Audit and the Superintendent, Government Fisheries Cannery, Chaliyam, for information.

Enclosure.

Audit Report on the Accounts of the Government Fisheries Cannery, Chaliyam, for the year ending 31*st March* 1929.

In the absence of any definite orders from Government as to the future of the cannery the accounts for the year ending 31st March 1929 have been presented in the usual trading form. I understand the Fisheries Committee have reported and suggested either the continuance or improvement or the leasing out of the same with a proviso for carrying out research work, and early orders are requested as to the future of the canneries.

2. No manufacture was carried on during the year and the loss of Rs. 5,624-9-0 incurred was in connexion with disposal of stocks and stores in hand, care and maintenance charges and standing charges for depreciation interest, audit fee, etc. The details are as follows :—

	RS.	A.	P.	RS.	A.	P.
Standing charges—						
Depreciation	1,210	7	9			
Interest	1,569	0	0			
Audit fee, etc.	319	10	9			
				3,099	2	6
Loss on sale of goods	1,394	14	6			
Care and maintenance charges ..	1,130	8	0			
				2,525	6	6
				5,624	9	0

The standing charges will continue to recur, but the other charges should show a substantial reduction in future as the only floating assets remaining to be disposed of are—

	RS.	A.	P.
Raw materials (less reserve Rs. 9,903-5-0) ..	4,201	1	8
Empty cans	481	10	0
Stock in hand	4	7	0
	4,687	2	8

3. The position of stocks was as follows :—

	Tins.	Tins.
(*a*) Chaliyam stocks—		
Opening stock on 1st April 1928	..	217
Sales	44	..
Written off	2	46
Balance in hand on 31st March 1929. Good ..	81	..
Balance in hand on 31st March 1929. Bad ..	90	171

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(b) London returned stock—

	TINS.	TINS.
Opening stock on 1st April 1928	..	2,945
Sales	2,859	..
Written off	8	2,867
Balance in hand on 31st March 1929. Good ..	8	..
Bad ..	70	78

The stocks have therefore been reduced to—

Chaliyam—Eighty-one tins value Rs. 4–1–0.

London returned stock—Eight tins value As. 6

and are now negligible.

4. The sales from the stock returned from London realized a small profit of Rs. 11–10–0 which has gone to diminish the loss incurred during the year. The writing down of the stocks in the previous year was therefore justified. Of the 78 tins of this stock at the close of the year eight tins alone are held to be good and these alone have been valued at Rs. 5 per 100 tins, this being the rate for quick disposal of stocks sanctioned in G.O. Mis. No. 140, Development, dated 23rd January 1929. Out of the Chaliyam closing stock of 171 tins, 81 tins are held to be good and these also have been valued at the same rate.

5. The following items in the Profit and Loss Account call for remarks :—

(i) Tools written off—Rs. 105–11–0. This represents the difference in revaluation at the close of the year.

(ii) The following adjustments on account of stores have been made :—

	RS.	A.	P.
(1) Loss on sale of salt	16	5	1
(2) Loss on first-class firewood	92	3	0
(3) Loss on second-class firewood	44	11	0
(4) Rubber rings written off—vide G.O. Mis. No. 935, Development, dated 26th May 1928	460	0	4
(5) Miscellaneous items written off	11	0	0
Total ..	624	3	5

The writes off under items (4) and (5) alone are covered by sanction and the losses on the others also will now have to be formally sanctioned by the Director.

(iii) Empty cans written off Rs. 481–10–0. The value of the stock of empty cans has been written down by a further sum of Rs. 481–10–0 representing 25 per cent of the original cost of these articles. The cans now stand at 25 per cent of their original value, three-fourths of the value having now been written off.

(iv) A sum of Rs. 250 for audit fee has been charged as in the previous year.

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(v) Depreciation on buildings has been charged at the normal rate but only half the rate has been adopted for depreciation of plant machinery.

(vi) Interest on depreciation reserve. A sum of Rs. 258 representing the interest due at 4·3 per cent on Rs. 6,000 being the depreciation reserve deposited with Government has been taken credit for in the accounts.

6. The Balance sheet may now be considered.

(i) *Plant and machinery.*—A vertical boiler and a steam engine were transferred during the year at their depreciated value of Rs. 305. This amount has also been adjusted to the credit of the Personal Ledger Account by the Accountant-General, but in view of the fact that the concern is not working this amount may be withdrawn by the Accountant-General as 'Recoveries of Investments in Commercial undertakings'. Rupees 95 being the depreciation provided in respect of these assets to date of transfer may also be withdrawn by the Accountant-General and credited to the same head in the Government accounts.

(ii) Stock of cans has been written down to 25 per cent of their original value.

(iii) The book debts are all considered good.

(iv) The loss of Rs. 41,884–14–3 incurred in the previous year has been adjusted to debit of Madras Government Capital account in accordance with the orders conveyed in G.O. Press No. 1987, Development, dated 24th November 1928. Provision for recoupment of Rs. 5,421–2–0 being the expenses payable to Government in respect of 1927–28 having been made in G.O. Mis. No. 1091, dated 28th June 1929, the liability due to Government has been cleared by credit to Government Capital account.

7. The loss of Rs. 5,624–9–0 incurred during the year may also be adjusted to Capital account if Government agree. No recoupment to the concern of the loss is advised as no manufacture is being carried on. As the personal ledger balances will not admit of the amounts due to Government being adjusted Rs. 1,888–10–9 will have to be paid in to the credit of the personal ledger account and withdrawn by the Accountant-General. Funds to meet this demand will have to be provided by reappropriation if no budget provision exists.

8. The cash position seems just sufficient to meet the requirements of the Cannery.

9. Subject to the foregoing remarks I certify that I have obtained all information and explanations that I have required and that the balance sheet referred to in the preceding paragraphs, in my opinion, exhibits a true and correct state of affairs of the Government Fisheries Cannery, Chaliyam, according to the best of my information and explanations given me and as shown by the books of the Cannery.

MADRAS,
21*st September* 1929.

C. F. GEORGE,
Assistant Director of Commercial Audit.

(1)

Sub-Enclosures.

Balance Sheet as at 31st March 1929.

CAPITAL AND LIABILITIES.	RS. A. P.	RS. A. P.
Capital, Government of Madras—		
Balance as per last Balance Sheet ..	86,376 13 10	
Add indirect charges of 1927–28 adjusted—vide G.O. Mis. No. 1091, dated 28th June 1929	5,421 2 0	
	91,797 15 10	
Less loss of 1927–28 adjusted—vide G.O. No. 1987, Development, dated 24th November 1928	41,884 14 3	
		49,913 1 7
Reserve for Expenses due to Government—		
Audit fee for 1928–29	250 0 0	
Leave and pension contribution ..	69 10 9	
		319 10 9
Interest Charges payable to Government—		
Interest on capital for 1928–29 ..	1,827 0 0	
Less interest on depreciation reserve invested with Government	258 0 0	
		1,569 0 0
Liabilities—		
For salaries	35 0 0	
For wages	32 11 10	
For sundry creditors	19 7 0	
Security deposits	50 0 0	
Excess recovery of rent	1 15 0	
		139 1 10

PROPERTY AND ASSETS.	RS. A. P.	RS. A. P.	RS. A. P.
Fixed Assets—			
Buildings—			
As per last Balance Sheet ..		18,597 0 0	
Depreciation per last Balance Sheet ..	3,746 6 0		
Depreciation for the year.	566 3 0		
		4,312 9 0	
			14,284 7 0
Plant and Machinery—			
As per last Balance Sheet. ..		23,056 9 0	
Less value of Plant and Machinery transferred to Tanur		400 0 0	
		22,656 9 0	
Depreciation per last Balance Sheet ..	4,702 1 9		
Depreciation for the year.	572 4 3		
	5,274 6 0		
Less depreciation on Plant and Machinery transferred	95 0 0		
		5,179 6 0	
			17,477 3 0
Furniture—			
As per last Balance Sheet. ..		1,456 2 8	
Depreciation per last Balance Sheet	389 4 2		
Depreciation for the year.	72 0 6		
		461 4 8	
			994 14 0
Loose Tools as per Valuation.		..	524 5 0

Balance Sheet as at 31st March 1929—*cont.*

CAPITAL AND LIABILITIES—*cont.*

	RS.	A.	P.
Grand Total ..	51,940	14	2

PROPERTY AND ASSETS—*cont.*

	RS.	A.	P.	RS.	A.	P.
Raw Materials—						
Stores	14,059	8	2			
Packing cases	44	14	6			
	14,104	6	8			
Less reserve for probable loss	9,903	5	0	4,201	1	8
Empty cans as per valuation at 25 per cent of cost	..			481	10	0
Stock in Trade	..			4	7	0
Book Debts	..			55	2	3
Depreciation Reserve invested with Government. ..	..			6,000	0	0
Cash and Other Balances—						
Personal ledger account No. 1	63	4	9			
Personal ledger account No. 2	2,218	15	8			
Cash and stamps	10	14	10			
				2,293	3	3
Loss for the year	..			5,624	9	0
Grand Total	..			51,940	14	2

Examined and found correct subject to my report of even date.

MADRAS,
21*st September* 1929.

C. F. GEORGE,
Assistant Director of Commercial Audit.

TAMIL NADU LEGISLATIVE ASSEMBLY
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(2)

Trading Account for the year ending 31st March 1929.

Part I.

	RS. A. P.	RS. A. P.		RS. A. P.
To opening stock at Chaliyam and other places (217 tins)	..	52 6 0	By Sales of canned fish	21 9 0
,, Selling expenses—			,, Closing stock at Chaliyam and other places (81 tins) ..	4 1 0
Railway freight	17 13 0		,, Loss transferred to profit and loss account	1,406 8 6
Postage and telegrams	46 9 0			
Raw materials consumed	80 1 3			
Travelling expenses	1 14 0			
Advertisement charges	25 8 0			
Salaries	730 0 0			
Wages	414 12 3			
Miscellaneous expenses	63 3 0			
		1,379 12 6		
Total		1,432 2 6	Total ..	1,432 2 6

Part II.

	RS. A. P.		RS. A. P.	RS. A. P.
To Opening stock of tins returned from London (2,945 tins).	471 3 0	By Sales of London returned stock (2,859 tins).	633 8 8	
,, Commission to agents	82 7 3	,, *Less* sales returns	68 10 5	
,, Profit on sales transferred to profit and loss account ..	11 10 0			564 14 3
		,, Closing stock (8 tins)	..	0 6 0
Total ..	565 4 3	Total ..	..	565 4 3

TAMIL NADU LEGISLATIVE ASSEMBLY
TRUTH ALONE TRIUMPHS

(3)

Profit and Loss Account for the year ending 31st March 1929.

	RS. A. P.	RS. A. P.
To Loss brought forward on sales from general stock.	1,406 8 6	
Less profit on sales of consignment stock.	11 10 0	
		1,394 14 6
,, Repairs to buildings	275 10 0	
Tools written off	105 11 0	
Stores written off	624 3 5	
Empty cans written of	481 10 0	
		1,487 2 5
,, Standing charges—		
Audit fee	250 0 0	
Leave and pension contribution	69 10 9	
		319 10 9
,, Depreciation on—		
Buildings	566 3 0	
Plant and machinery	572 4 3	
Furniture	72 0 6	
		1,210 7 9
,, Interest on capital	..	1,827 0 0
Grand Total ..		6,239 3 5

	RS. A. P.	RS. A. P.
By Miscellaneous receipts	307 3 5	
,, House-rent recovered	49 7 0	
		356 10 5
,, Interest on depreciation reserve deposited with Government.	..	258 0 0
,, Loss carried to balance sheet	..	5,624 9 0
Grand Total ..		6,239 3 5

TAMIL NADU LEGISLATIVE ASSEMBLY
வாய்மையே வெல்லும்
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II

Letter from Dr. B. SUNDARA RAJ, M.A., PH.D., Director of Fisheries, to the Secretary to Government, Development Department, dated Madras, the 20th November 1929, Ref. No. 2294-P/29-1.

[*Reference*—Letter No. 13/840, dated 23rd September 1929, from the Assistant Director of Commercial Audit, Madras, to Government.]

With reference to the above, I have the honour to submit the following remarks:—

Paragraph 1 of the report.—Government have since passed orders closing the Cannery.

Paragraph 5 (ii).—Items 1 to 3 were sold as per orders conveyed in paragraph 2 (*b*) of the G.O. No. 574, Development, dated 29th March 1928, and as suggested by the Assistant Director of Commercial Audit I am formally sanctioning the write-off under these items.

Paragraph 7.—Since the Accountant-General has adjusted a sum of Rs. 2,146–10–9 in the accounts for March supplemental by debit to the Personal Ledger Account No. 1 of the concern there is a minus balance of Rs. 2,080–4–3 in that account. To meet this there is only a sum of Rs. 1,808–1–1 in the No. 2 account. I have therefore addressed Government for sanction to adjust the loss for 1928–29 to the credit of (1) Investments in Government commercial undertakings, and (2) Personal Ledger No. 2 Account of the concern by debit to 35-E. Losses on account of Commercial concerns—*vide* my letter Ref. No. 2414-P/29, dated 7th November 1929.

Order—No. 2158, *Development, dated 3rd December* 1929

Recorded.

2. *Paragraph 7 of the Audit report.*—Orders have issued in G.O. No. 2119, dated 28th November 1929, for the adjustment of the loss of Rs. 5,624–9–0.

(By order of the Government, Ministry of Development)

S. V. RAMAMURTI,
Secretary to Government.

To the Director of Fisheries.
,, Accountant-General.
,, Finance Department.
,, Director of Commercial Audit (with C.L.).
,, Assistant Director of Commercial Audit.
,, Secretary, Legislative Council (for placing the order on the Council table).

Press.